

in their accounts, while workers near retirement hold closer to \$100,000 in their 401(k)s. This is real money for real workers, and we must do all we can to help make sure it's there for them when they retire.

Turbulence in the financial markets reminds us that every investment carries some risk. Yet American workers also have rights which must be respected and enforced. I've made five commonsense proposals to help protect the retirement savings of American workers.

First, every worker should get 30 days advance notice before any blackout period, the time when they cannot sell, buy, or borrow from their 401(k)s.

Second, corporate executives should have to follow the same rules that every other employee must follow during blackout periods. If you can't sell on the shop floor, you should not be able to sell on the top floor.

Third, workers should be able to sell their company stock after holding it for 3 years so that no one's nest egg is tied up in the stock of a single company.

Fourth, investors should receive better information, including quarterly, not just yearly, reports on how their 401(k)s are performing.

And fifth, workers should have access to professional investment advice so they can make more informed decisions about their savings.

The United States Congress has passed only two of these proposals, giving workers advance notice of blackout periods and holding executives to the same rules as their employees. I signed these reforms into law.

On Monday, my administration is implementing that law with tough new rules to require that companies give their workers 30 days' notice before any blackout period. Under the new rule, employees will have time to buy or sell stock or borrow from their accounts before the accounts are temporarily frozen. This important protection will help ensure that workers don't get stuck in a bad investment simply because their employers block them from accessing their own accounts.

The Securities and Exchange Commission is also working on a new rule to prevent corporate executives from selling off their own

holdings of company stock when employees are kept from doing so. Corporate executives will no longer be able to sell off their company's declining stock while employees are left holding the bag. Both of these rules will take effect early next year and give workers greater protections against corporate fraud or abuse.

These rules are a step forward in protecting the rights of investors. More steps are needed. My three additional proposals—allowing more diversity in 401(k) accounts, and more frequent account updates, and advice for workers—have already passed in the House. But after 6 months, the Senate has not acted. For the sake of American workers who are concerned about their retirement security, I urge the Senate to pass the rest of my proposals into law. People who work hard and save for the future deserve every protection we can give them.

Thank you for listening.

NOTE: The address was recorded at 9:01 a.m. on October 17 in the Cabinet Room at the White House for broadcast at 10:06 a.m. on October 19. The transcript was made available by the Office of the Press Secretary on October 18 but was embargoed for release until the broadcast. The Office of the Press Secretary also released a Spanish language transcript of this address.

Videotape Remarks to the People of Australia

October 19, 2002

This Sunday is a day of national mourning in Australia, a day in which our friends mourn the needless loss of life. You come together as a nation to grieve for the victims of those who were killed by the murderers in Indonesia. And our country grieves with you, and we suffer with you. And we send our prayers to the families who cry, and we send our prayers for a speedy recovery for the injured.

Together we face an enemy which does not value innocent life, an enemy which tries to terrorize the free world into inaction. They will fail. Together we will hunt down the killers so that there's justice in the world. Together we will fight terror so as to keep the peace and to make the world more free.

America and Australia are close friends. We value our friendship. We remember so well after September the 11th, 2001, your prayers, your sympathies, your strong support. And we will never forget it.

On this sad day, on this day of mourning, America is with you in spirit. May God bless the victims and their families. May God heal the injured. And may God continue to bless Australia.

NOTE: The President's remarks were videotaped at approximately 1 p.m. on October 18 in Rochester, MN, for later broadcast, and the transcript was released by the Office of the Press Secretary on October 19.

Remarks on Prescription Drugs

October 21, 2002

The President. Good morning. For more than a year, the Federal Trade Commission has investigated delays and abuses in the process of bringing generic drugs to the market. I have reviewed the FTC findings, and I am taking immediate action to ensure that lower cost, effective generic drugs become available to Americans without any improper delays. By this action, we will reduce the cost of prescription drugs in America by billions of dollars and ease a financial burden for many citizens, especially our seniors.

I appreciate so very much the Secretary of the Department of Health and Human Services, Tommy Thompson, for his good, steady, and hard work on this issue.

Secretary Thompson. Thank you, Mr. President.

The President. I want to thank Les Crawford, who is the Deputy Commissioner of the FDA, who so ably led this agency for the last year. I appreciate your hard work, Les. And I'm proud, also, that Mark McClellan is with us, who is the newly confirmed FDA Commissioner. Mark has been on my staff with the Council of Economic Advisers, and he will soon take over the FDA to work with Les to make sure the policy I'm announcing is fully implemented.

We live in an age of miracle drugs. Millions of Americans and citizens from many other lands, for that matter, have found healing and hope from medicines discovered and

created in this country. New drugs allow children with rheumatoid arthritis to walk and to go to school. New drugs shrink cancerous tumors, and they control the advance of HIV, slow the progression of multiple sclerosis. In the treatment of many diseases, major surgery has been replaced by a single pill. And this has been a special blessing to many Americans, particularly our seniors, who are living longer and better lives.

As a nation, we are committed to encouraging the promise of new miracle drugs in two different ways. First, we recognize innovators must be able to be financially rewarded for their creativity and hard work so they will continue investing and researching, putting new resources and talents in the creation of new drugs. Every time we hope for a cure or a breakthrough, we're counting on the success of a researcher and the success of a drug company. Second, we want these breakthroughs to become affordable and widely available. Both of these goals, innovation and accessibility, are essential; both are possible.

In America, one of the ways we reward innovation is by granting a patent. If you take a risk and you make an investment and succeed, you have the exclusive right to sell what you invent, and you have the right to profit if you can. A new drug can cost as much as \$800 million to develop and bring to the market. Without patent protection, few would take such a risk, few would be willing to invest. With patent protection, America's brand-name drug companies have become the greatest in the world, and health care systems around the world depend on American innovations they could not possibly duplicate.

Patents, of course, expire after a number of years, and this is one of the ways we are able to make drugs more accessible. After the patent expires, other companies are free to offer the drug in generic form at far lower prices. Last year, the average brand-name drug cost more than \$72 per prescription. The average price for generic drugs, which are just as safe and effective as the brand-name drugs, was less than \$17 per prescription. Generic drugs make America health care far more affordable.